## REMARKS/ARGUMENTS

The above identified patent application has been amended. Claims 1-11 and 13-15 are now in the application. Claims 12 and 16-31 have been cancelled without prejudice. Claims 16-31 have been cancelled so that they may be pursued in the earlier filed and copending application number 10/800,276. No claims have been added or otherwise amended.

The Examiner has objected to the Drawings under 37 CFR 1.83(a), noting that the drawings must show every feature of the invention specified in the claims. Accordingly, Applicant has amended Fig. 5 to more clearly show the upper gear set 97 and lower gear set 95 as bevel gears. Support for these bevel gears may be found in the paragraph in the specification beginning on page 7, line 15.

Fig. 5 also now shows a water pump 75, water intake 76 and a cooling system 79 connected to the engine 50. Page 15, line 3 of the specification has been likewise amended to denote these elements in the context of Fig. 5. Support for these amendments to the Fig. 5 and the specification may be found on page 7, line 24, which recites:

"In conjunction with these improvements, an improved I/O system is provided having a cooling system connected to the engine, a water pump connected to the cooling system, a water intake connected to the water pump, and wherein the water intake is located outside the housing of the stern drive."

## Amendments to the Drawings:

The attached sheets of drawings includes changes to Fig. 5 and an additional Fig. 6. These sheets replace the original sheets including Fig. 5.

Attachment: Replacement Sheets

Annotated Sheet Showing Changes

In addition, Applicant has now added the two bearings 98 to Fig. 5, these having been inadvertently omitted from the previous Fig. 5 and support for which may be found on page 14, line 22, as well as having corrected notation for the upper driveshaft 57, which was inadvertently labeled "52" in the previous Fig. 5.

Finally, Fig. 6 has been added showing the stern drive 60 lifted to a maintenance position completely above the waterline 45. Page 8, line 13 and page 15, line 13 of the specification have been likewise amended to refer to Fig. 6. Support for these amendments may be found may be found on page 12, line 22, which recites:

"The elongated actuator 70 of the present invention can effectively reposition the stern drive 60 between an operative position below the waterline 45 and a maintenance position wherein the stern drive 60 is lifted partially or even completely above the waterline 45. Because the stern drive 60 is mounted on the transom 41 such that the top portion of stern drive 60 lies above the waterline 45, this rotation can result in the entire stern drive 60 being above the waterline 45 when the actuator 70 is fully extended."

The Examiner has rejected Claims 12 and 25 under 35 U.S.C. §112, first paragraph, for failing to comply with the enablement requirement. As noted above, these claims have now been cancelled.

The Examiner has rejected Claims 16-25 and 27-31 under 35 U.S.C. §103 as being unpatentable over the cited prior art. As noted above, these claims have now also been cancelled so that they may be pursued in the earlier filed and copending application number 10/800,276

In view of the above amendment and remarks it is submitted that the claims are patentably distinct over the prior art and that all the rejections to the claims have been overcome. Furthermore, it is also submitted that the drawings are now in proper form under 37 CFR 1.83(a) such that they show every feature of the invention specified in the claims. It is further submitted that the amendments to the drawings and to the specification add no new matter and are fully supported by the application as originally filed for the reasons noted above. Accordingly, applicant respectfully requests a timely indication of allowance. Should there be any further issues that can be addressed by telephone, applicant invites the Examiner to contact the undersigned at the number indicated below.

Respectfully submitted,
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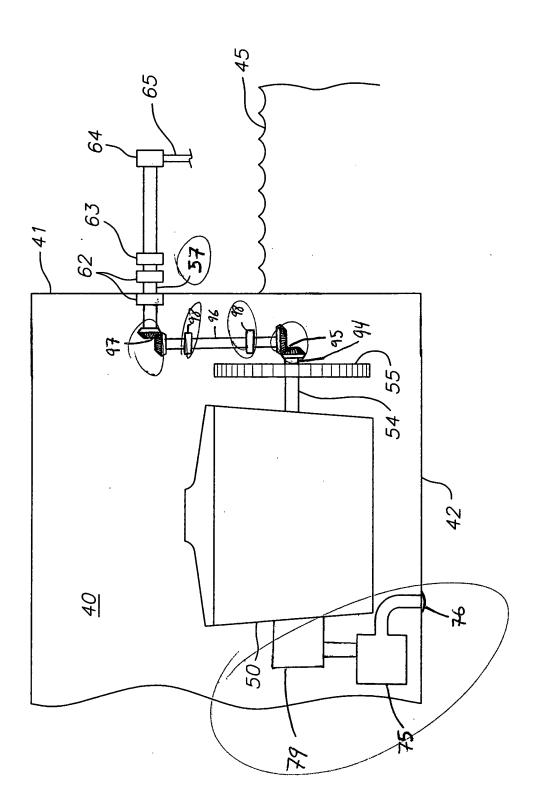


FIG.5